

**IT Professional Technical Services  
Master Contract Program  
T#:902TS**

**Statement of Work (SOW)  
For Technology Services  
Issued By**

**Office of MN.IT Services (MN.IT) @ Minnesota Management & Budget  
(MMB)**

**Project Title: BPAS Salary Roster and Salary Projections**

**Service Categories: Server - Application Design & Development;  
Architecture Planning & Assessment – Information/Data; Database –  
Oracle**

**\*\*Vendor must be approved in all of the above categories to respond.**

## **Business Need**

Minnesota Management & Budget (MMB) implemented Oracle Hyperion Public Sector Planning and Budgeting in August 2011 as a replacement for the statewide budgeting system. The first phase of the new Budget Planning and Analysis System (BPAS) supported the development of the FY 2014-15 biennial operating budget. The second phase of the project, which is currently underway, will support the development of the governor's supplemental budget recommendations and compiling legislatively enacted operating budget information into the system.

The work of this contract will be to implement the Public Sector Planning and Budgeting module in Oracle Hyperion, including an integration with the state's PeopleSoft system (SWIFT) for both human resources data and position funding data. This functionality will provide multi-year projections and modeling capabilities for employee salary, benefit and other compensation factors. These projections will be used for the purpose of compensation budget development and ongoing budget monitoring. The scope of this work may also include the development of a compensation costing model to support the labor negotiation process.

MMB is looking for a vendor with experience in implementing the workforce budgeting model of Oracle Hyperion Public Sector Planning and Budgeting, as well as integration with PeopleSoft, in an organization with a workforce of similar size and scope to the State of Minnesota. The approximate size and scope of the State of Minnesota's workforce is over 50,000 employees, represented by 25 bargaining units, in 100 agencies with 2200 job classifications.

All work will be performed at the MMB Office, 658 Cedar Street, St. Paul, MN 55155, or at location deemed appropriate by the State.

## **Project Deliverables**

MMB is looking to implement the workforce planning and modeling capabilities in Oracle Hyperion Public Sector Planning and Budgeting in the recently developed Budget Planning and Analysis System to produce an accurate and dynamic salary/cost projection tool for agencies to use for the purposes of developing various compensation models for budget submission and ongoing

monitoring. In addition to compensation cost projections, full time equivalent (FTE) calculations will also be performed in the tool. The products of this contract are intended to include:

- 1) Integration with the state's PeopleSoft HCM/FMS systems to load human resource position information and actual and budgeted compensation data into Hyperion.
- 2) The development of Hyperion Public Sector Planning and Budgeting workforce planning and modeling functionality for use by MMB and all state agencies to develop various individualized salary/cost projection models associated with compensation budgeting and monitoring.
- 3) Flexible capabilities that support multi-year cost projections at the individual position level, by agency, by classification and/or by bargaining unit.
- 4) Calculation drivers that include, but are not limited to, future dated transactions, step increases, cost of living compensation changes, benefit rate changes, retirement rate changes, pay differentials, and lump sum payments.
- 5) Immediate summary and detail level reporting capabilities based on the various workforce planning models developed within the system including, but not limited to employee/position, agency, bargaining unit, job classification, position funding, etc.
- 6) The ability to selectively reload or load new data from PeopleSoft on a regular basis (potentially daily).
- 7) Data derived from the system will be used for the purposes of budget development, including a business rule providing the option to load budget data, including FTEs, from the compensation cost projections into the budgeting module of BPAS.

The state may also consider including functionality in Hyperion Public Sector Planning and Budgeting to support the calculation of the costs related to potential settlements in the labor negotiations process.

## **Project Milestones and Schedule**

Project is expected to begin in January 2014.

The estimated timeline for the implementation of workforce planning and modeling in Oracle Hyperion Public Sector Planning and Budgeting includes the following milestones:

- 1) Fit gap analysis completed by January 31, 2014
- 2) Requirements and design completed by February 14, 2014
- 3) System build completed by May 30, 2014
- 4) System and user acceptance testing, including issue resolution, completed by July 1, 2014
- 5) System go-live by August 15, 2014
- 6) In the event the state decides to move forward with functionality to support the labor negotiations process, functionality for this must be available by January 2015.

The term of any resulting work order will be limited to a term not greater than one-year from the date of final execution anticipating the completion of the existing master contract. The State reserves the right to transition any resulting work order to the new master contract program subject to its terms and conditions which will replace the current program. If such a transition is not possible, the contracting entity will work with MN.IT and the Department of Administration to review options to enable the continuation of the services being provide to the extent possible.

## **Project Environment (State Resources)**

MMB currently has a dedicated full time Administrator for the BPAS applications that will ensure environments are available for the vendor to complete their work.

MMB also has a full time project manager in the Budget Services Division of MMB and a full-time technical lead in the Budget and Internal Applications (BIA) group within MN.IT Services @ MMB. These individuals worked on phase 1 of the system implementation and are leading efforts associated with both phase 2 and 3. The BIA group has developed and manages the technical aspects of the Oracle Hyperion based BPAS applications.

Also available to this project as needed would be the MN.IT Services @ MMB's Infrastructure Team responsible for the management of hardware and middleware related to MMB's Oracle systems and subject matter experts related to the business needs of the system.

## **Agency Project Requirements**

- MMB, Budget Services Division, will be responsible for overall project management and the development of a project schedule to be adhered to by the selected vendor.
- MMB and MN.IT Services @ MMB will work in partnership with the selected vendor to develop and document requirements and design.
- MMB and MN.IT Services @ MMB will be available to provide system and user acceptance testing and document system issues.

## **Responsibilities Expected of the Selected Vendor**

- The contractor will follow the MN.IT Services change management process.
- The contractor will be onsite during the fit gap analysis, requirements and design and testing aspect of the work and may be allowed to work remotely through VPN access to MMB or MN.IT's VPN solution during the technical build.
- The contractor will comply to all applicable agency and state standards for connection to VPN.
- The contractor will comply to all applicable agency and state data privacy and data protection policies.
- The contractor will conduct a fit gap analysis to determine how Hyperion Public Sector Planning and Budgeting can be used to meet the business needs of the state.
- The contractor will lead the state through the requirements and design phases of the project.
- The contractor will design and build Hyperion Public Sector Planning and Budgeting applications, integrations with People Soft HCM/FMS, business rules, cost drivers, load scripts, forms and reports according to the requirements and design specifications.
- Unit testing will occur throughout the build with all issues identified corrected prior to system testing.
- The contractor will be on-site during system and user acceptance testing to respond to issues and immediately fix items identified that prohibit the completion of testing.
- The contractor will fix issues identified during system and user acceptance testing according to the resolution strategy agreed to by the state.
- The contractor will complete all required work according to the detailed project schedule.
- The contractor will directly access the State's BPAS servers, database (Essbase), and tools to develop applications, integrations, business rules, cost drivers, load scripts, forms and reports.
- The contractor will report to the MN.IT @ MMB's BIA BPAS Technical Lead.
- The contractor will provide to MN.IT @ MMB a completed design document outlining how the system was built and what is necessary to maintain the system. This document must be detailed enough to support ongoing administration of the system.

## Required Skills (To be scored as Pass/Fail)

- Minimum 5 years of experience implementing Oracle Hyperion Public Sector Planning and Budgeting software, application and report development for employers with workforces over 35,000 employees in multiple labor unions.
- Minimum 5 years of experience with Oracle Hyperion Public Sector Planning and Budgeting application and design and building concepts.
- Minimum of 5 years of experience with Financial Reporting Studio and related report design tools for reporting workforce modeling data out of Oracle Hyperion Planning and Budgeting implementations.
- Minimum of 5 years of experience of computer systems concepts.

## Desired Skills

- Analytical and technical problem-solving skills.
- Strong human relations skills.
- Strong oral and written communication skills.
- Past experience developing and delivering clear written documentation on systems.

## Process Schedule

- |  |                                |
|--|--------------------------------|
| • Deadline for Questions                     | December 16, 2013, 2:00 pm CST |
| • Anticipated Posted Response to Questions   | December 18, 2013              |
| • Proposals due                              | December 31, 2013, 2:00 pm CST |
| • Anticipated proposal evaluation begins     | January 2, 2014                |
| • Anticipated proposal evaluation & decision | January 10, 2014               |

## Questions

Any questions regarding this Statement of Work should be submitted via e-mail by December 16, 2013, 2:00 pm CST:

Name: G. Bruce Yurich, BIA Director

Department: MN.IT Services @ Minnesota Management & Budget

Email Address: [Bruce.yurich@state.mn.us](mailto:Bruce.yurich@state.mn.us)

Questions and answers will be posted on the Office of MN.IT Services website by approximately December 18, 2013, 5:00 pm CST ([http://mn.gov/buyit/statements/mcp902ts\\_active.html](http://mn.gov/buyit/statements/mcp902ts_active.html)).

## SOW Evaluation Process

- Experience (45%)
- Cost (35%)
- Work Plan (10%)
- Company (10%)

***This Statement of Work does not obligate the state to award a work order or complete the assignment, and the state reserves the right to cancel the solicitation if it is considered to be in its best interest. The Agency reserves the right to reject any and all proposals.***

## Submission Format

- Introduction
- Company overview
- Project overview
- Proposed work plan

- Resume(s) outlining required and desired skills for all individuals who will participate in the project
- Prior similar experience in developing Oracle Hyperion Public Sector Planning and Budgeting workforce planning and modeling systems in organizations with over 35,000 employees.
- Prior experience developing reports in Financial Reporting Studio
- Years of experience in Oracle Hyperion systems
- Cost, please clearly note the total cost by stating something such as “Grand Total”. The cost proposal must be submitted as a separate attachment to the email when responding. Do not include any references to cost within the proposal.
- Conflict of interest statement as it relates to this project
- Include the name of 2 references who can speak to the resources work on a similar project. Include the company name and address, reference name, reference email, reference phone number and a brief description of the project this resource completed.
- Required forms to be returned or additional provisions that must be included in proposal
  - a) Affirmative Action Certificate of Compliance (if over \$100,000)  
<http://www.mmd.admin.state.mn.us/doc/affaction.doc>
  - b) Affidavit of non-collusion  
<http://www.mmd.admin.state.mn.us/doc/noncollusion.doc>
  - c) Certification Regarding Lobbying  
<http://www.mmd.admin.state.mn.us/doc/lobbying.doc>
  - d) Veteran-Owned/Service Disabled Veteran-Owned Preference Form  
<http://www.mmd.admin.state.mn.us/doc/vetpref.doc>
  - e) Resident Vendor Form (if applicable)  
<http://www.mmd.admin.state.mn.us/doc/residentvendorform.doc>

## Proposal Submission Instructions

- Response Information:
  - All responses must be returned via email to [MN.IT\\_Contracts@state.mn.us](mailto:MN.IT_Contracts@state.mn.us), please note there is an underscore between IT\_Contracts)
  - Please label the response as BPAS Project – then insert vendor name - and then label as proposal, forms, or cost, etc.

## General Requirements

### Proposal Contents

By submission of a proposal, Responder warrants that the information provided is true, correct and reliable for purposes of evaluation for potential award of this work order. The submission of inaccurate or misleading information may be grounds for disqualification from the award as well as subject the responder to suspension or debarment proceedings as well as other remedies available by law.

### Liability

Each party will be responsible for its own acts and behavior and the results thereof. The Minnesota Torts Claims Act, Minn. Stat. § 3.736 and other applicable laws govern the State's liability.

### Disposition of Responses

All materials submitted in response to this SOW will become property of the State and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected vendor. If the Responder submits information in response to this SOW that it believes to be trade secret materials, as defined by the Minnesota Government Data Practices Act, Minn. Stat. § 13.37, the Responder must: clearly mark all trade secret materials in its response at the

time the response is submitted, include a statement with its response justifying the trade secret designation for each item, and defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State's award of a contract. In submitting a response to this solicitation, the Responder agrees that this indemnification survives as long as the trade secret materials are in possession of the State.

The State will not consider the prices submitted by the Responder to be proprietary or trade secret materials.

### **Conflicts of Interest**

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposals. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

The responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the Assistant Director of the Department of Administration's Materials Management Division ("MMD") which must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organizational conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to MMD, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve the State's rights.

### **IT Accessibility Standards**

All documents and other work products delivered by the vendor must be accessible in order to conform with the State Accessibility Standard. Information about the Standard can be found at: <http://mn.gov/oet/policies-and-standards/accessibility/>.

### **Preference to Targeted Group and Economically Disadvantaged Business and Individuals**

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal. Eligible TG businesses must be currently certified by the Materials Management Division prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at [mmdhelp.line@state.mn.us](mailto:mmdhelp.line@state.mn.us). For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

### **Veteran-Owned Preference**

In accordance with Minn. Stat. § 16C.16, subd. 6a, (a) Except when mandated by the federal government as a condition of receiving federal funds, the commissioner shall award up to a six percent preference on state procurement to **certified small businesses** that are **majority-owned and operated by**:

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;
- (2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs; or
- (3) any other veteran-owned small businesses certified under section [16C.19](#), paragraph (d).

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time.

If you are claiming the veteran-owned preference, **attach documentation, sign and return the Veteran-Owned Preference Form with your response to the solicitation.** Only eligible veteran-owned small businesses that meet the statutory requirements and provide adequate documentation will be given the preference.

### **Foreign Outsourcing of Work Prohibited**

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by subcontractors at all tiers.